

that they will fall within the provision exempting lessors of only part of a public facility. The bill would have removed the technical cause of this subterfuge, without changing the exemption already extended to the sports teams, he said.

Manufacture of gambling machines for out-of-state sale  
(SB 765 by Harris)

DIGEST: Under Tex. Penal Code sec. 47.06, it is a third-degree felony to manufacture in Texas any device designed for gambling. SB 765 would have legalized the in-state manufacture or sale of gambling devices if they were to be shipped out of state to a place where their use is legal.

GOVERNOR'S  
REASONS  
FOR VETO:

The Governor said enactment of SB 765 would "set a bad precedent and would be bad public policy in our state where the use of such machines is illegal."

SPONSOR'S  
VIEW:

"It's dumb," Sen. Harris said of Gov. White's veto. The bill, he said, would have provided an affirmative defense for the lottery-machine manufacturer near Dallas who was recently no-billed by a grand jury on charges of manufacturing gambling devices. With this veto, the manufacturer, who employs 225 people directly and accounts for more jobs indirectly, remains open to indictment. "A lot of people called him and said, 'Come to our state; we won't indict you,'" Harris said. "He's already moving part of his operation to Michigan. That's 50 to 100 jobs we're losing right there."

NOTES:

The House Study Group analysis of SB 765 appeared in the May 22 Daily Floor Report.

Municipal regulation of taxicabs  
(SB 1081 by Whitmire)

DIGEST: The bill would have authorized municipalities to license and regulate taxicabs, their rates and insurance. Regulation could also have controlled taxicab services' entry into business in a particular municipality.